

CASE PROGRAM 2009-107.2

The outstanding public servant (B: Epilogue)

In July, 2001, at the Employment Court, Christine Rankin challenged Michael Wintringham over his ultimate decision not to reappoint her as the CE of Work and Income New Zealand. In the second week of November 2000, Wintringham wrote to Rankin telling her of the decision he had arrived at. Through her lawyer, Christine Rankin asked for a reconsideration of the decision, saying the letter did not give sufficient reason for the decision or opportunity to rectify any problems. Having reconsidered, Wintringham's decision was the same. Christine Rankin would not be reappointed when her initial contract expired in July 2001.

Although Wintringham was obliged to give Rankin a definite decision six months before her contract expired, she chose not to make it public, and in February 2001 told the *Sunday Star-Times* in a lengthy interview highlighting her achievements at WINZ, "I love my job and everything my job entails." ¹

The following month the government announced that it was considering a restructure of the whole social policy area. This would coincide with the pending retirement of Social Policy Chief Executive Margaret Bazley on 30 June, as well as the conclusion of Rankin's contract. Hours before the proposed merger of MSD and WINZ was announced in early April, Christine Rankin served notice that she would take the State Services Commission to the Employment court for breach of contract, citing political interference in the appointment process.

As the *Southland Times* editorialised, "Merge the mighty WINZ and the miniscule Ministry of Social Policy and what will we get? Rid of Christine Rankin, for starters",

This epilogue was written by Janet Tyson, ANZSOG, for Dr Richard Norman, Victoria University of

Wellington, using published sources. It has been prepared to support the teaching of the case 2009-107.1. The use of teaching materials is restricted to authorised persons.

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¹ Stuff.co.nz; National News; 12 Feb 2001.

as her position would automatically be disestablished. This strategy, a number of commentators pointed out, neatly avoided having to pay a "golden handshake". The current government had been loudly critical of the previous government's payouts in several high-profile cases of early dismissal.

Before the Employment Court, Christine Rankin claimed \$1.2 million in damages for illegal political interference in her appointment process, seeking a court order that Michael Wintringham must consider her for reappointment, and alleging a breach of contract in that Wintringham failed to act independently. In an alternative claim, she seeks a finding that her employment agreement was of open tenure rather than a fixed term. Most reporting of the proceedings highlighted comments by Wintringham and others about the inappropriateness of Rankin's short skirts and low cut necklines for her work situation.

Such issues were a sideshow, according to Justice Goddard, who in his 63-page finding, delivered in August, focussed on what Rankin's contract actually said, and concluded that there was no proof that her "rights had been invaded", rejecting the damages claim. He found that all particulars relating to the termination of contract, including the 6 months' notice, had been met, and noted a special clause that recognised the importance of a good relationship between Ms Rankin and the relevant Crown Minister. In their original informal discussions in May 2000, Wintringham had not given Rankin "detailed information about her perceived shortcomings" and given her an opportunity to address these concerns. Such detail was given in the November 8 letter but without an opportunity for discussion. This was a breach of duty, remedied by Wintringham's agreement to reconsider in December.

Rankin immediately announced her decision "to get on with life" and not appeal the decision, subsequently setting up her own business, taking part in Dancing with the Stars, and becoming an Auckland Regional Councillor. In November 2001, the government extended Michael Wintringham's five year term as State Services Commssioner until May 2003 "to ensure continuity until after next year's election."

In 2009, Christine Rankin was in the news again after the National-led government appointed her to the Families' Commission. This caused an outcry over her previous criticism of the Commission and the government's "anti-smacking legislation" – as well as the circumstances of her recent fourth marriage.

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² Mold, F, "State service head dodges fallout from Rankin case", New Zealand Herald, news, general, Nov 13 2001. www.knowledge-basket.co.nz.helicon.vuw.ac.nz/search/doc-view.php?d188 downloaded 22 January 2010.